

House Research Act Summary

CHAPTER: 73

SESSION: 2015 Regular Session

TOPIC: Campaign Finance

Analyst: Matt Gehring

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Overview

This act is the 2015 campaign finance omnibus. In large part, it reflects the technical recommendations of the Campaign Finance and Public Disclosure Board. Among other things, it modifies certain standards and fees related to late filing of required documents with the board, exempts some types of small items from disclaimer and disclosure requirements, reorganizes and modifies procedures related to board investigations and audits, and provides a number of other miscellaneous changes to the laws governing campaign finance and public disclosure reporting.

Section

- 1** **Violations; enforcement.** Modifies certain standards related to Campaign Finance Board investigations, including procedures upon receipt of a complaint.

The board would be required to issue findings within 60 days after making a determination of probable cause. Current law requires findings within 60 days after a complaint is filed.

This section also requires individuals and associations to preserve evidence, once they have been notified of an investigation.
- 2** **Failure to file (lobbyist registration).** Modifies standards related to late filing of lobbyist registration forms, including elimination of the ten-day grace period, and an increase of the late filing fee to \$25 per day (from \$5 per day), and a maximum late fee of \$1,000 (from \$100).

This section also modifies the procedure and timeline for sending notice to the lobbyist that a registration form has not been filed.

Section

- 3 Disclosure required (representation of clients).** Modifies standards related to late filing of a public official's report on representation of certain clients, including elimination of the ten-day grace period, and an increase of the late filing fee to \$25 per day (up from \$5 per day), and a maximum late fee of \$1,000 (from \$100).
- 4 Annual statement (economic interest).** Requires each individual required to file a statement of economic interest to file an annual statement, covering the previous year.
- Under current law, a supplementary statement is required only if information on the statement has changed.
- 5 Board audits; data classification.** Provides that all data related to a board audit are confidential.
- 6 First registration.** Establishes a new triggering date for the first registration of a political committee. The new trigger requires both the registration and report to be filed by the report due date if the \$750 reporting threshold is met.
- 7 Independent expenditure or ballot question political committees and funds; reporting.** Specifies that an independent expenditure or ballot question political committee or fund must register with the board by the earliest of three dates. A new triggering date is added that requires both the registration and report to be filed by the report due date, if the \$750 reporting threshold is met.
- 8 Failure to file; penalty (first registration).** Eliminates a ten-day grace period for filing a first registration form. The late filing fee is increased to \$25 per day (up from \$5 per day), to a maximum late fee of \$1,000 (from \$100).
- 9 Independent expenditures.** Provides that the disclosure statement for independent expenditures does not apply to individuals or associations that are not required to register or report under chapter 10A.
- This section also provides that disclosure statements are not required on certain items where it is inconvenient or impractical to print or provide the disclosure (a list is provided).
- 10 First filing; duration.** Specifies that, if a political committee or fund, campaign committee, or party unit receives or spends \$750 on or before the last day included in a reporting period, the entity must both register with the board and file a report for that reporting period.
- 11 Time for filing (campaign reports).** Exempts candidates who did not file for office from the requirement that a campaign report be filed on June 14.
- 12 Contents of report.** Requires that a campaign report include the board registration number (if one exists) for certain individuals and entities.
- 13 Effect of opponent's conduct.** Adds "election cycle" and "election segment" references in the law governing expenditure limits that are modified due to an opponent's conduct. These new references conform to substantive changes made elsewhere in chapter 10A in 2013.
- 14 Contribution limits (judicial candidates).** Amends contribution limits for judicial candidates, to provide the same \$2,500 contribution limit for both the election and nonelection segments of an election cycle.

Section

- 15 Contributions from certain types of contributors.** Strikes existing language related to limits on contribution from certain “large contributors.” A definition of “large contributor” is also provided.
- The stricken language is the subject of an injunction preventing its enforcement, which was issued in May of 2014. A 2014 U.S. Supreme Court case, *McCutcheon v. FEC*, held unconstitutional a similar limit in federal law.
- 16 Contribution limits during legislative session.** Removes party units from the prohibition on contributions to candidates during a legislative session.
- 17 Definition (“regular session”).** Clarifies that the entire first and entire last days of each annual session are included in the definition of “regular session” of the legislature.
- 18 Refund receipt forms; penalty (political contribution refund).** Provides that the willful issuance of an official refund receipt form to a contributor by a candidate who did not sign a spending limit agreement is subject to a civil penalty of up to \$3,000. The willful issuance of an official refund receipt to an individual not eligible to claim a refund is also subject to a civil penalty of up to \$3,000. Violation is a misdemeanor.
- 19 Penalty for violation of chapter 211B under board’s jurisdiction.** Permits the board to impose a civil penalty of up to \$3,000, if another penalty is not specified, for violations of the Fair Campaign Practices Act that are under the board’s jurisdiction.
- 20 Campaign finance and public disclosure board audit data.** Provides a cross-reference in the Minnesota Government Data Practices Act for certain audit data.
- 21 Statements of economic interest.** Eliminates a data practices cross-reference in the Minnesota Government Data Practices Act. This cross-reference is moved to a new subdivision, as provided in section 20.
- 22 Campaign literature must include disclaimer.** Modifies certain disclaimers required to be included on campaign literature, including an exemption for certain small items where it is impractical or inconvenient to print the disclaimer (a list is provided).
- 23 Legal expenditures.** Adds political committees, political funds, and party units to the exception that allows entities to give more than \$100 to a charity, if the committee dissolves within one year after the contribution.
- 24 Prohibited contributions.** Specifies that a political party, organization, committee, or individual may not accept a contribution from a corporation that is prohibited from making contributions.
- 25 Costs assessed.** Requires that the costs of complaints related to statewide ballot questions or an election for a statewide or legislative office be paid from appropriations to the Office of Administrative Hearings for this purpose, rather than from the state elections campaign account.

This modification would bring the payment procedures for these types of complaints in line with the procedures for other types of fair campaign practices complaints to the Office of Administrative Hearings.

Section

- 26** **Revisor's instruction.** Directs the revisor to reorganize existing statutory language related to board audits and investigations into other subdivisions or a newly-created section of statute.
- 27** **Repealer.** Repeals section 10A.20, subdivision 1c (related to publication of campaign reports by certain political party units), and Rules part 4503.1500, subpart 2 (related to unpaid year-end balance of loans).
- 28** **Effective date.** Provides that this act is effective the day following final enactment (The act became effective May 23, 2015).